



City of Fresno
Annual Financial Report FY2005/2006
Through the Twelve Months Ended June 30, 2006
Unaudited - Intended For Internal Management Purposes Only

ALL FIGURES ENCUMBERANCES

GENERAL FUND AT-A-GLANCE

Category	Amended Budget	YTD Actual	%	% Prior Year
Revenues	\$ 204,698	\$ 214,761	105%	109%
Expenditures	(204,931)	(200,975)	98%	98%
Revenues Over Expenditures	\$ (233)	\$ 13,786		

GENERAL FUND REVENUES

Revenues	Amended Budget	YTD Actual	%	% Prior Year
Sales & Use Tax	\$ 70,946	\$ 57,059	80%	85%
Prop. 172 Sales Tax	2,046	2,672	131%	114%
Property Tax	47,373	97,096	205%	174%
Motor Vehicle In-Lieu Fees	29,827	10,367	35%	18%
Business Tax	17,083	15,549	91%	93%
Franchise Tax	5,581	5,601	100%	107%
Other Local Taxes	10,940	12,214	112%	108%
Card Room Receipts	1,006	1,478	147%	128%
Charges For Services	17,248	18,995	110%	99%
Enterprise In-Lieu Fees	225	(783)	-348%	0%
Intergovernmental Revenues	345	961	279%	121%
Intragovernmental Revenues	(9,059)	(15,877)	175%	128%
All Other Revenue Sources	11,137	9,429	85%	269%
Total	\$ 204,698	\$ 214,761	105%	109%

GENERAL FUND REVENUES

The General Fund revenues were approximately \$214.8 million for the fiscal year ended June 30, 2006. This approximated 5% more than the nearly \$204.7 million projected for the year. Compared to the prior year, overall revenues increased \$17.2 million (\$214.8 million vs. \$197.6 million in FY05). This increase is primarily the result of sustained growth in sales tax revenues, property tax revenues and early repayments from the State's triple flip and VLF Swap program.

The major revenue sources, Sales Tax, Property Tax, and Motor Vehicle-In Lieu, when looked at in aggregate, achieved favorable results of approximately \$8.0 million compared to budgeted projections. The results are best considered in aggregate due to the VLF Swap and Sales Tax Triple Flip, which were recognized as a component along with property tax. Business Tax revenues were \$0.4 million higher than the previous year, but \$1.5 million short of the amount projected.

Revenues from less significant sources, including Franchise Tax, Other Local Taxes, and Charges for Services, when considered in the aggregate, approximated their budgeted amounts for the year. Enterprise In-Lieu fees were discontinued for all but Fax operations following a court order last year. Reflected in the current year is Fax in-Lieu net of claims for refunds which was part of the agreed upon settlement.

As of the close of the fiscal year, the City maintained \$10.5 million in the General Fund Emergency Reserve Fund. The use of this cash is restricted unless a declaration is made by the Mayor and approved by Council.

GENERAL FUND EXPENDITURES BY DEPARTMENT

Department	Amended Budget	YTD Actual	%	% Prior Year
Police Dependent	\$ 110,729	\$ 108,650	98%	100%
Fire Department	36,357	37,120	102%	99%
Parks, Recreation & Community Services	21,697	21,223	98%	99%
Administrative/General	14,187	14,140	100%	98%
Public Works	14,422	12,973	90%	76%
City Council Offices	3,169	2,654	84%	83%
City Manager's Office	1,085	1,071	99%	121%
City Clerk's Office	667	594	89%	93%
Office of the Mayor	524	515	98%	98%
Economic Development Department	807	767	95%	99%
General City Purpose Department	1,287	1,268	99%	98%
Total	\$ 204,931	\$ 200,975	98%	98%

GENERAL FUND EXPENDITURES BY TYPE

Expenditure Type	Amended Budget	YTD Actual	%	% Prior Year
Salaries and Benefits (excluding overtime)	\$ 128,545	\$ 126,119	98%	99%
Overtime	5,135	7,133	139%	114%
Pension Obligation Bonds	12,613	12,613	100%	100%
Operations and Maintenance	23,077	21,617	94%	94%
Interdepartmental Charges	31,425	30,851	98%	99%
Transfers, Loans and Contingencies	126	-	0%	1%
Capital	4,010	2,642	66%	34%
Total	\$ 204,931	\$ 200,975	98%	98%

GENERAL FUND EXPENDITURES

General Fund expenditures for the fiscal year ended June 30, 2006 were approximately \$201.0 million, or 98% of budget. Expenditures increased from the prior year by \$15.2 million (\$201.0 million vs. \$185.8 million). Overall, expenditures consistently remained at acceptable levels during the year.

By major departments, the Police Department expended \$108.7 million, an increase of \$5.4 million over the prior year with the majority of the increase going toward personnel and equipment-related charges. Police expenditures approximated 98% of their budget for the year. The Fire Department expended \$37.1 million. This was an increase of \$5.5 million from the amount expended in the prior year and was 2% above budget for the current year. The Parks and Recreation Department expended \$21.2 million, which approximated the amount expended in the prior year. Administrative and General expenditures which primarily includes Pension Bond Debt Service approximated budget of \$14.1 million. Year-to-date expenditures for Public Works were \$13.0 million, and \$1.4 million under budget. This is primarily the result of capital project timing/delays. Overall, City departments were diligent in controlling expenditures without adverse effects on service levels.

By expenditure type, salary levels (including overtime) increased 5.9% over the prior year (\$133.3 million vs. \$125.9 million in FY05) Overtime exceeded budget by 39%. Pension Obligation Debt service approximated was \$12.6 million. Operation/Maintenance was 94% of budget primarily due to capital project timing and operational efficiencies.

ENTERPRISE OPERATING FUNDS

The following summarizes year-to-date revenues and expenditures of major City enterprises.

Department	Budget	YTD Actual	%
Community Sanitation			
Revenues	\$ 9,565	\$ 10,638	111%
Expenditures	(9,653)	(9,143)	95%
Total	\$ (88)	\$ 1,495	
Convention Center			
Revenues	\$ 6,419	\$ 1,106	17%
Expenditures	(6,385)	(2,525)	40%
Total	\$ 34	\$ (1,419)	
Planning and Development Department			
Revenues	\$ 17,886	\$ 24,170	135%
Expenditures	(16,347)	(13,954)	85%
Total	\$ 1,539	\$ 10,216	
FAX Transit			
Revenues	\$ 35,492	\$ 23,344	66%
Expenditures	(35,492)	(35,066)	99%
Total	\$ -	\$ (11,722)	
FYI Airport			
Revenues	\$ 13,433	\$ 10,914	81%
Expenditures	(13,433)	(13,022)	97%
Total	\$ -	\$ (2,108)	
Housing/Neighborhood Revitalization			
Revenues	\$ 17,881	\$ 3,765	21%
Expenditures	(14,360)	(5,235)	36%
Total	\$ 3,521	\$ (1,470)	
Sewer System			
Revenues	\$ 77,412	\$ 100,228	129%
Expenditures	(77,089)	(57,346)	74%
Total	\$ 323	\$ 42,882	
Solid Waste System			
Revenues	\$ 47,453	\$ 55,645	117%
Expenditures	(47,466)	(44,418)	94%
Total	\$ (13)	\$ 11,227	
Water System			
Revenues	\$ 58,741	\$ 54,844	93%
Expenditures	(58,775)	(48,854)	83%
Total	\$ (34)	\$ 5,990	

ENTERPRISE OPERATING FUNDS

The financial results for above enterprise operating funds are within acceptable levels for the fiscal year ended June 30, 2006. During the year, these results do not reflect trends or patterns in operations since revenues and expenditures are recognized on a cash basis for interim reporting. This can result in material timing differences. Major sources of revenues, including grants, are recorded as revenues when the cash is actually received. Included also in revenues are the fund carryovers from the prior year which may be material. Grant revenues are a primary or significant source of revenue for FAX/Transit, FYI Airports, and Housing/Neighborhood Revitalization.

DEBT SUMMARY

Debt Source	Principal Outstanding
Tax Supported	
Pension Obligation Bonds	\$ 190,980
Various Capital Projects	51,615
Stadium Project	43,590
City Hall Refinancing	33,710
Exhibit Hall Expansion Project	30,020
No Neighborhood Left Behind	42,000
Convention Center Improvements	18,725
Conference Center Refinancing	6,080
Street Light Acquisition Project	6,050
Street Improvement Project	4,725
Judgment Obligation Bonds	5,040
Water	43,890
Sewer	219,110
Airport	39,735
Solid Waste	12,685
Total \$	747,955

SUMMARY

This report is based on detailed information produced by the City's Finance Department/Accounting Division. If you would like additional information, or have any questions about this report, please call 621-7001.